

SENATE BILL NO. 346

INTRODUCED BY J. COBB

A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO THE PAYMENT OF PROPERTY TAXES; PROVIDING AN AMNESTY FOR PROPERTY TAX PENALTY AND INTEREST FOR CERTAIN DELINQUENT PROPERTY TAX PAYMENTS ON CLASS THREE AND RESIDENTIAL CLASS FOUR PROPERTIES MADE BETWEEN MARCH 1 AND MAY 1, 2001; ALLOWING PAYMENT OF PROPERTY TAXES UNDER LOW-INCOME PROPERTY TAX ASSISTANCE PROVISIONS WITHOUT PENALTY AND INTEREST IF THE PAYMENT IS MADE WITHIN 20 CALENDAR DAYS OF THE DATE THE PAYMENT IS DUE; AMENDING SECTION 15-16-102, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE; AND AN APPLICABILITY DATE; AND A TERMINATION DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

~~NEW SECTION. Section 1. Amnesty for property tax penalty and interest -- timeframe -- restrictions. (1) Property taxes ON PROPERTIES CLASSIFIED UNDER 15-6-133 AND 15-6-134(1)(C), (1)(F)(I), AND (1)(F)(III) that are subject to interest and penalty under 15-16-102 and that are paid by the owner or an agent of the owner of the property during the period of March 1, 2001, through May 1, 2001, are payable without payment of interest and penalty. The interest and penalty otherwise due on the property taxes are extinguished.~~

~~(2) The interest and penalty may not be extinguished under this section if the interest and penalty on delinquent property taxes:~~

~~(a) are the subject of a legal action to collect the taxes that is pending on March 1, 2001;~~

~~(b) are included in a judgment rendered before March 1, 2001, in an action to collect delinquent property taxes;~~

~~(c) were suspended under the provisions of Title 15, chapter 24, part 17; or~~

~~(d) are paid by a person or entity other than the property owner or an agent of the property owner as part of a tax sale under the provisions of Title 15, chapter 17.~~

SECTION 1. SECTION 15-16-102, MCA, IS AMENDED TO READ:

1 **"15-16-102. Time for payment -- penalty for delinquency.** Unless suspended or canceled under
2 the provisions of Title 15, chapter 24, part 17, all taxes levied and assessed in the state of Montana,
3 except assessments made for special improvements in cities and towns payable under 15-16-103, are
4 payable as follows:

5 (1) One-half of the taxes are payable on or before 5 p.m. on November 30 of each year or within
6 30 days after the tax notice is postmarked, whichever is later, and one-half are payable on or before 5
7 p.m. on May 31 of each year.

8 (2) Unless one-half of the taxes are paid on or before 5 p.m. on November 30 of each year or
9 within 30 days after the tax notice is postmarked, whichever is later, the amount payable is delinquent
10 and draws interest at the rate of 5/6 of 1% a month from and after the delinquency until paid and 2%
11 must be added to the delinquent taxes as a penalty.

12 (3) All taxes due and not paid on or before 5 p.m. on May 31 of each year are delinquent and
13 draw interest at the rate of 5/6 of 1% a month from and after the delinquency until paid, and 2% must
14 be added to the delinquent taxes as a penalty.

15 (4) (a) If the date on which taxes are due falls on a holiday or Saturday, taxes may be paid without
16 penalty or interest on or before 5 p.m. of the next business day in accordance with 1-1-307.

17 (b) If taxes on property qualifying under the low-income property tax assistance provisions of
18 15-6-134(1)(c) AND 15-6-191 are paid within 20 calendar days of the date on which the taxes are due,
19 the taxes may be paid without penalty or interest. If a tax payment is made later than 20 days after the
20 taxes were due, the penalty must be paid and interest accrues from the date on which the taxes were due.

21 (5) A taxpayer may pay current year taxes without paying delinquent taxes. The county treasurer
22 shall accept a partial payment equal to the delinquent taxes, including penalty and interest, for one or more
23 full taxable years, provided that taxes for both halves of the current tax year have been paid. Payment of
24 taxes for delinquent taxes must be applied to the taxes that have been delinquent the longest. The
25 payment of taxes for the current tax year is not a redemption of the property tax lien for any delinquent
26 tax year.

27 (6) The penalty and interest on delinquent assessment payments for specific parcels of land may
28 be waived by resolution of the city council. A copy of the resolution must be certified to the county
29 treasurer.

30 (7) If the department revises an assessment that results in an additional tax of \$5 or less, an

1 additional tax is not owed and a new tax bill does not need to be prepared."

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3 NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.

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5 NEW SECTION. **Section 3. Applicability.** [This act] applies to eligible property tax payments made
6 after March 1, 2001.

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8 ~~NEW SECTION. **Section 5. Termination.** [This act] SECTION 1 terminates May 2, 2001.~~

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